

State of Alaska FY2002 Governor's Operating Budget Performance Measures

Department of Community & Economic Development

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Key Performance Measures for FY2002

Measure: Create at least 250 new jobs for Alaskans in FY 2002 by providing financial assistance to economic development projects that meet defined criteria for feasibility and financial success.

(Revised from Legislature's FY2001 version.)

Current Status:

In FY 2000 AIDEA funded loan participations totaling approximately \$30 million, creating approximately 530 construction jobs and 295 new jobs.

Benchmark:

No other state in the nation has a public development corporation identical to AIDEA.

Background and Strategies:

AIDEA provides the financing mechanisms necessary to participate in long-term commercial loans, and to own projects that promote economic development.

In FY 2002, AIDEA will purchase \$30.0 million in loan participations with financial institutions; and participate in or guarantee \$5.0 million in small rural loans.

AIDEA will continue to work with the private sector to develop infrastructure projects that AIDEA can own and lease to the private sector, complimenting private sector investment.

Measure: Complete 10 bulk fuel storage consolidation and upgrade projects in FY02.

(Revised from Legislature's FY2001 version.)

Current Status:

11 projects were completed during FY00.

Benchmark:

AEA's bulk fuel storage data base and priority list includes information on tank farms in 161 rural communities.

Background and Strategies:

There are approximately 1100 above-ground tank farms in 161 remote villages in rural Alaska. Most of these tank farms have serious deficiencies. The U.S. Coast Guard and the Environmental Protection Agency are continuing to issue citations to owners of many substandard facilities in rural Alaska but have thus far refrained from ordering them closed as long as effective measures are underway to bring them into regulatory compliance.

A typical rural village may presently have separate tank farms owned and operated by the City government, the tribal government, the village corporation, the local school, the electric utility, and other public or private entities. Relying primarily on federal funds, the State has conducted a program over the last several years to replace these tank farms with new or refurbished facilities that meet all applicable safety and environmental codes. Most of these projects seek to consolidate several tank farms into a single facility so that the potential for adverse impacts is no longer spread among several tank farm sites around the community. Consolidation also helps to avoid the inconsistent maintenance and operations practices that can result from multiple projects operated by multiple owners.

Measure: The number of Alaskans employed year-round in the visitor industry.

(Developed jointly with Legislature in FY2001.)

Current Status:

Baseline data will be available in fall 2001.

Benchmark:

Not available.

Background and Strategies:

Data is being gathered through the Alaska Visitors Statistics Program administered by the Division of Community and Business Development. Tourism industry employment data is not easily discernable through the Standard Industrial Classification (SIC) system utilized by the Department of Labor and Workforce Development.

Measure: Reduce response time up to 25 percent by the end of FY03 for the filing and retrieval of licensing and corporate documents, by providing forms and information on the Internet and using e-commerce.

(Not yet addressed by Legislature.)

Current Status:

Data on Internet usage of department web sites has been collected for more than one year. Business License online transaction baseline data will be collected beginning in fall 2000. Currently it averages 2 to 3 weeks for a business to apply for and receive a new or renewed business license through the mail.

Benchmark:

Not applicable.

Background and Strategies:

The primary focus of this measure is the services provided by the divisions of Banking, Securities, & Corporations, Insurance, and Occupational Licensing. By providing searchable data bases and downloadable forms on the department's web pages, the amount of staff time responding to similar in-person, phone, and letter requests has been reduced already. Web usage trends are tracked 24 hours a day.

Over the next three years the department will make available the option of filing of various applications online. The first service offered online in fall 2000 is the purchase of Business Licenses or renewals. Approximately 35,000 Business License renewal notices were mailed November 1, 2000. At the end of the renewal period, data will be available regarding the number of renewals conducted online as well as the number of new business licenses purchased online. These transactions are instantaneous. This data will then be compared with historical data on volume and length of processing time for issuing new and renewed business licenses.

Measure: Increase volume of product sold through ASMI promotions in FY02 by 10% in the United States

(Revised from Legislature's FY2001 version.)

Current Status:

ASMI is maximizing value of relationships with existing promotional partners, developing new retail and foodservice partnerships in areas of value-added products and increasing demand for Alaska seafood product usage via Alaska Seafood brand oriented marketing programs.

Benchmark:

ASMI will use its own FY01 volume of pounds sold figures as a baseline for FY02.

Background and Strategies:

Background: A \$5 million grant to ASMI to assist the Alaska salmon industry against the impact of imported farmed salmon has been incorporated into ASMI's next three fiscal years' budgets. ASMI has increased the amount of funds for domestic marketing programs through the grant. The board has approved carrying forward a substantial amount of funds to serve as the match for the federal grant and to even out the potential shortfall expected due to loss of fish revenue.

Strategies: A three-year Strategic Marketing Plan (starting FY 01) has been implemented to create a dynamic market-driven environment that will expand the global consumption of Alaska seafood products by fostering growth opportunities within the food industry through collaborative marketing and quality assurance efforts. All species of seafood will benefit from the enhanced salmon marketing effort funded by the federal grant.

Measure: Dollar value of exports from the state.
(Added by Legislature in FY2001 version.)

Current Status:

In 1999 the dollar value of exports from Alaska increased 31% from 1998 to \$2.6 billion.

Benchmark:

During 1999, the dollar value of all U.S exports increased 1.8% from 1998 to was \$692.8 billion. This information is recorded and reported by the U.S. Census Bureau. Figures are derived from Export Statistics, State of Origin series.

Background and Strategies:

Information and assistance to Alaska companies to initiate or expand export business activities; research potential niche-market opportunities for value-added products.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● Create at least 350 new jobs for Alaskans in FY 01 by providing financial assistance to economic development projects that meet defined criteria for feasibility and financial success. ● In FY01, complete construction of 10 code-compliant bulk fuel consolidation (CCBFC) or project upgrades (PU), complete design and begin construction of 8 CCBFC or PUs, and begin design of 17 CCBF. ● Increase the number of Alaskans employed in the visitor industry to 32,000 by the year 2001 with an emphasis on employment in smaller communities and rural areas of the state. ● Reduce response time up to 25 percent by the end of FY03 for the filing and retrieval of licensing and corporate documents, by providing forms and information on the Internet and using e-commerce. ● Increase the consumption of Alaska seafood by increasing the volume of product sold through ASMI promotions by 10 percent in FY01. 		X	X		

Commissioner's Office**Key Performance Measures for FY2002**

Measure: The percentage of divisions that meet assigned performance measures.

(Added by Legislature in FY2001 version.)

Measure: The reduction in per unit cost in the departmental divisions.

(Added by Legislature in FY2001 version.)

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The percentage of divisions that meet assigned performance measures.			X		
● The reduction in per unit cost in the departmental divisions.			X		

Administrative Services

Key Performance Measures for FY2002

Measure: The number of late penalties for payroll or vendor payments.
(Added by Legislature in FY2001 version.)

Current Status:

\$1.2 in penalties was paid by ASMI on their travel account in FY00. FY01 so far is 0.

Benchmark:

Not known.

Measure: The number of audit exceptions.
(Added by Legislature in FY2001 version.)

Current Status:

One audit exception in FY99. FY00 & FY01 audits not completed yet.

Benchmark:

Not known.

Measure: The number of procurement protests.
(Added by Legislature in FY2001 version.)

Current Status:

In FY00 there were 4 protests and of the 4, 2 were denied with denial upheld, 1 to appeal with a settlement and 1 is being pursued judicially.

Benchmark:

Not known.

Measure: The number of union employees in the department who file grievances compared to other departments.
(Added by Legislature in FY2001 version.)

Current Status:

In FY00, 8 grievances were filed in DCED, ranking DCED with 2 other departments having the lowest number of grievances filed. None have been filed to date with DCED in FY01.

Benchmark:

Not known.

Measure: The number of grievances advanced to and sustained in arbitration.
(Added by Legislature in FY2001 version.)

Current Status:

There were no grievances advanced to and sustained in arbitration in FY00 and none have occurred to date in FY01.

Benchmark:

Not known.

Measure: The number of contested classification actions.
(Added by Legislature in FY2001 version.)

Current Status:

There were no contested classification actions in FY00 and none have occurred to date in FY01.

Benchmark:

Not known.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The number of late penalties for payroll or vendor payments.		X			
● The number of audit exceptions.		X			
● The number of procurement protests.		X			
● The number of union employees in the department who file grievances compared to other departments.			X		
● The number of grievances advanced to and sustained in arbitration.			X		
● The number of contested classification actions.			X		

Community and Business Development

Key Performance Measures for FY2002

Measure: The number of communities successfully managing new sewer and water systems.

(Developed jointly with Legislature in FY2001.)

Current Status:

Completed or virtually completed systems amount to 97 rural systems since efforts began to build such systems. No data was provided that identified how many of these were completed in FY 00.

26 communities are not considered to be successful. These communities have been identified as chronic violators of environmental regulations related to the operation of water and wastewater systems.

Benchmark:

Not applicable.

Background and Strategies:

Time frame for measurement is FY 00

New water and sewer systems - defined as a sanitation project completed. The project as envisioned in the original project design has been achieved and the project substantially adds customers or upgrades facilities. It would exclude refurbishment or replacement of existing systems. Source of data: Alaska Native Tribal Health Consortium, DEC's Facility Construction and Operation Division

Successfully manages - defined as operating without major interruption of service and without substantial violations of water quality, waste discharge and environmental regulations. Source of data: Substantial Noncompliance List in DEC, community data.

Measure: The number of Alaskans employed year-round in the visitor industry.

(Developed jointly with Legislature in FY2001.)

Current Status:

Data will be available in Fall 2001.

Benchmark:

Not applicable.

Background and Strategies:

Data is being gathered through the Alaska Visitors Statistics Program administered by the Division of Community and Business Development. Tourism industry employment data is not easily discernable through the Standard Industrial Classification (SIC) system utilized by the Department of Labor and Workforce Development.

Measure: The number of CDQ-related (community development quota related) jobs in Western Alaska

(Developed jointly with Legislature in FY2001.)

Current Status:

There were 1348 CDQ related jobs created in 1999. These jobs included positions on offshore factory trawlers, onshore processing plants, CDQ halibut plants & halibut fisheries, and various management positions within the six CDQ groups.

Benchmark:

Not applicable.

Background and Strategies:

The data for this Measure was taken from the 1999 CDQ Quarterly Reports.

Measure: The number of communities that are insolvent.

(Developed jointly with Legislature in FY2001.)

Current Status:

There are a total of 47 municipalities that are insolvent as of 11/02/00.

Benchmark:

Not applicable.

Background and Strategies:

Insolvent is defined as "a community that is unable to pay its debts as they fall due in the usual course of business."

Measure: How much, expressed as a percentage, local governments rely on revenue sharing in their general operating budgets.

(Developed jointly with Legislature in FY2001.)

Current Status:

The average percentage calculated is 10.2%. There were 161 local governments with a range from 71.29% to .27%.

Benchmark:

Not applicable.

Background and Strategies:

The percentages were calculated by Bill Rolfzen, DCED/DCBD. A listing of the governments and the percentages and figures used in the calculations is available upon request.

Measure: The number of coordinated regional efforts resulting in the creation of new business opportunities.

(Developed jointly with Legislature in FY2001.)

Current Status:

There are 31 coordinated regional efforts resulting in creation of new business opportunities.

Benchmark:

Not applicable.

Background and Strategies:

The legislature intends to measure the success of the ARDOR program in achieving its mission by considering this Performance Measure. The information in this Performance Measure was taken from the ARDOR grant applications.

Measure: The percentage of goals identified through regional processes that are achieved.

(Developed jointly with Legislature in FY2001.)

Current Status:

The percentage of goals identified through regional processes that are achieved is an average of 53%.

Benchmark:

Not applicable.

Background and Strategies:

The legislature intends to measure the success of the ARDOR program in achieving its mission by considering this Performance Measure. The information in this Performance Measure was taken from the ARDOR grant applications. The goals used in the calculation are the grantees' goals.

Measure: The amount of nonstate funds leveraged by ARDOR grants.*(Developed jointly with Legislature in FY2001.)***Current Status:**

The amount of nonstate funds leveraged by the ARDOR grants is \$3,333,264.

Benchmark:

Not applicable.

Background and Strategies:

The legislature intends to measure the success of the ARDOR program in achieving its mission by considering this Performance Measure. The information in this Performance Measure was taken from the ARDOR FY02 grant applications.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The number of communities successfully managing new sewer and water systems.		X			
● The number of Alaskans employed year-round in the visitor industry.			X		
● The number of CDQ-related (community development quota related) jobs in Western Alaska.		X			
● The number of communities that are insolvent.		X			
● How much, expressed as a percentage, local governments rely on revenue sharing in their general operating budgets.		X			
● The number of coordinated regional efforts resulting in the creation of new business opportunities.		X			
● The percentage of goals identified through regional processes that are achieved.		X			
● The amount of nonstate funds leveraged by ARDOR grants.		X			

International Trade and Market Development

Key Performance Measures for FY2002

Measure: Number of trade leads in international trade and development.

(Added by Legislature in FY2001 version.)

Current Status:

No baseline number as yet. Current year will be the baseline. Beginning FY01, the division will maintain records to quantify the number of trade leads distributed to Alaska exporters, overseas buyers, film community, and other Alaska businesses.

Benchmark:

These records will be compared to similar surveys by national organizations supporting economic development, for example, surveys done by the National Association of State Development Agencies (NASDA).

Background and Strategies:

Raise visibility of Alaska as potential source for goods and services, and a place to do business, via promotions, trade shows, seminars, and through efforts of Alaska's trade representatives overseas.

Measure: Number of Alaska firms that export products and services.

(Added by Legislature in FY2001 version.)

Current Status:

No definitive information available for total number of Alaska companies involved in exporting activities.

Benchmark:

Most recent figures for number of new companies exporting are from a study done by the U.S. Census Bureau for the years 1992-97. This information is available on an annual basis from the US Census Bureau, often following a substantial lag time.

Beginning in FY01, the division will use two numbers to determine number of Alaska firms exporting: Census Bureau's reported figures, and division's tracking of Alaska firms to which the division provides information and assistance.

Background and Strategies:

Provide market information and assistance to export-ready Alaska companies; assist smaller and new-to-export firms to test the waters overseas through relatively inexpensive means; conduct matchmaking via trade missions, inbound and outbound.

Measure: Dollar value of exports from the state.

(Added by Legislature in FY2001 version.)

Current Status:

In 1999 the dollar value of exports from Alaska increased 31% from 1998 to \$2.6 billion.

Benchmark:

During 1999, the dollar value of all U.S exports increased 1.8% from 1998 to \$692.8 billion. This information is recorded and reported by the U.S. Census Bureau. Figures are derived from Export Statistics, State of Origin series.

Background and Strategies:

Information and assistance to Alaska companies to initiate or expand export business activities; research potential niche-market opportunities for value-added products.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● Number of trade leads in international trade and development			X		
● Number of Alaska firms that export products and services			X		
● Dollar value of exports from the state			X		

Qualified Trade Association Contract

Key Performance Measures for FY2002

Measure: Increase interest in Alaska as a visitor destination as reflected in the number of inquiries for travel information.

(Not yet addressed by Legislature.)

Measure: Increase in the number and income of Alaskans employed in the visitor industry throughout the state.

(Not yet addressed by Legislature.)

Measure: Increased awareness and participation of businesses in the marketing program, through increased number of members and private sector contributions.

(Not yet addressed by Legislature.)

Measure: Increased visitation to all regions of the state including non-urban areas.

(Not yet addressed by Legislature.)

Measure: Increase diversification of visitors who travel to and within Alaska by a variety of travel modes.

(Not yet addressed by Legislature.)

Measure: Increase visitor expenditures statewide, including maintaining or increasing per trip expenditures.

(Not yet addressed by Legislature.)

Investments

Key Performance Measures for FY2002

Measure: Small Business Economic Development Revolving Loan Fund - Create or save at least one job for every \$10K loaned in this program.

(Developed jointly with Legislature in FY2001.)

Current Status:

During fiscal year FY00, \$507,522 was loaned to Alaska small businesses. 117 jobs were created and 8 were saved.

Benchmark:

There are no current statistics available at this time.

Background and Strategies:

In many areas of the state, individuals wishing to start a small business have had virtually no chance of receiving financing without assistance from a program such as this. In June 1988 the Economic Development Administration (EDA) approved the Alaska Department of Commerce and Economic Development's original application to establish a Revolving Loan Fund (RLF). The funding approved for the original RLF totaled \$600,000 (\$350,000 from EDA and \$250,00 from the State of Alaska). In 1992 the fund was recapitalized with an additional EDA Grant, in the amount of \$450,000 and matching state funds in the amount of \$200,000. The RLF program has proven to be a very useful tool in the Department's overall rural small business and economic development program. In 1998 the department applied for and was awarded a \$600,000 grant to recapitalize this program. The grant was awarded by the EDA and was matched with \$200,00 from the Alaska Industrial Development and Export Authority to provide a total of \$800,000 for new loans. A total of 7 loans were made during the past fiscal year under this program, resulting in the creation of over 70 jobs in areas of the State that have experienced low per capita income or high unemployment. This division will continue to provide this financing by:

- Marketing this program through brochures, conferences, outreach visitation and the Alaska Business Development Center.
- Participating in the Economic Development Funding Forum, talking with other lenders regarding this program.
- Continuing to improve our presence on the Internet by making the loan program information available for viewing and downloading application forms.
- Utilizing the rural staff of Division of Community and Business Development (CBD) to promote this program.

Measure: Commercial Fishing Revolving Loan Fund - Maintain the proportion of commercial fishing permits held by Alaskans at 75% or higher.

(Developed jointly with Legislature in FY2001.)

Current Status:

Through FY99, the proportion of permits held by Alaskans was 78%, an increase of 1% over the last three years.

Benchmark:

Other than our twenty-five year loan history, there are no other programs similar to this loan program.

Background and Strategies:

The commercial fishing industry continues in flux as world markets adapt to the changing supply of fish from fish farms as well as the more traditional fishing fleets. The salmon markets have been significantly affected, and as a result, they have been extremely volatile for the past several years. It is important that Alaska maintains its place in the worldwide salmon market during these changing times to assure our place for the future. This loan program offers a relatively modest financing program for Alaska resident commercial fishing harvesters. The division's effort is to maintain the proportion of commercial fishing permits held by Alaskans at 75% or higher. To achieve this goal this division will:

- Work with Alaska resident fishermen requesting financing for the purchase of permits.
- Work with Alaska resident fishermen requesting financing for gear, vessel upgrades and/or improvements.
- Travel to fishing communities all over the state to assist them in their planning for financing their on-going fishing businesses.
- Travel to fishing communities all over the state to assist them in solving tax related problems.
- Continue to work with the Alaska Business Development Center, assisting fishermen through our Fisheries Business Assistance Grant.

Measure: Fisheries Enhancement Revolving Loan Fund - Provide hatchery reared salmon to Alaska commercial fisheries at a harvest value of \$40M or more per year.

(Developed jointly with Legislature in FY2001.)

Current Status:

During calendar year 1999 (the most current information available), the harvest value of the hatchery reared salmon was \$46.8M. Preliminary Alaska Department of Fish & Game figures for the 2000 season put the number somewhere around \$62.7, making it the fifth largest contribution since the inception of the program.

Benchmark:

There is no comparable program.

Background and Strategies:

In 1976, the Alaska Legislature responded to the need for increased production of salmon by creating the Fisheries Enhancement Revolving Loan Fund (FERLF). The purpose of this program was to promote enhancement of the State's fisheries. This division will continue to promote this enhancement by:

- Granting long-term, low interest loans for hatchery planning, construction and operation.
- Providing grants to Regional Corporations for organization and planning purposes.
- Work with hatcheries to insure that adequate funds are available for their continued operation.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• Small Business Economic Development Revolving Loan Fund - Create or save at least one job for every \$10K loaned in this program.			X		
• Commercial Fishing Revolving Loan Fund - Maintain the proportion of commercial fishing permits held by Alaskans at 75% or higher.			X		
• Fisheries Enhancement Revolving Loan Fund - Provide hatchery reared salmon to Alaska commercial fisheries at a harvest value of \$40M or more per year.			X		

Alaska Aerospace Development Corporation

Key Performance Measures for FY2002

Measure: Successfully complete 4 launches from the Kodiak Launch Complex (KLC) in FY02.

(Revised from Legislature's FY2001 version.)

Current Status:

AADC is targeting four launches for FY2002; one for Lockheed Martin in August 2001, one for the Air Force and two for the US Army in FY02. Contract negotiations are complete with Lockheed and preliminary contracts have been developed for the government missions.

Benchmark:

Being developed. The KLC is the first facility of its kind - the only complete launch complex owned and operated by a state.

Background and Strategies:

There have been two launches from the KLC - one in FY99, one in FY00 and two projected in FY01. Lockheed Martin's Athena will be the first commercial vehicle to be launched from the KLC in August 2001.

AADC received a marketing/commercialization grant from the Alaska Science and Technology Foundation to be expended over a three-year period. The purpose of the grant is to reach out to as many potential customers as possible and solidify launch contracts for the KLC. A technical marketing component of the grant will assist in contract development and negotiation as well as explore KLC enhancements that could broaden the customer base.

Measure: Demonstrate economic impact from KLC launch activities of at least \$2 million in FY02.

(Revised from Legislature's FY2001 version.)

Current Status:

The University of Alaska Anchorage, Institute of Social and Economic Research (ISER) performed an analysis of the inaugural launch from the KLC. Based on actual expenditures, ISER determined the total economic effect for the state to be \$1.3 million in sales and \$450,000 in payroll.

Benchmark:

Being developed. There is no data available for comparison from other states.

Background and Strategies:

There is a direct relationship between the number of launches from the KLC and the economic benefit to the State of Alaska. AADC will continue to promote utilization of the facility and monitor the economic benefits that result. AADC will also encourage use of local resources for supplies and services to maximize the effect within the state.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● Increase the number of launches from the Kodiak Launch Complex (KLC) to at least two in FY01. ● Demonstrate economic impact from KLC launch activities of at least \$2 million in FY01. 		X	X		

Component — Alaska Aerospace Development Corporation

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The excess earnings (or dividend) per launch.			X		
● The new permanent jobs created			X		
● The number of launches per year.			X		
● The new space-related technologies brought to the state.			X		
● The economic impact of launch activities expressed in dollars.			X		

Alaska Industrial Development and Export Authority

Key Performance Measures for FY2002

Measure: Create at least 250 new jobs for Alaskans in FY 2002 by providing financial assistance to economic development projects that meet defined criteria for feasibility and financial success.

(Revised from Legislature's FY2001 version.)

Current Status:

In FY 2000 AIDEA funded loan participations totaling approximately \$30 million, creating approximately 530 construction jobs and 295 new jobs.

Benchmark:

No other state in the nation has a public development corporation identical to AIDEA.

Background and Strategies:

AIDEA provides the financing mechanisms necessary to participate in long-term commercial loans, and to own projects that promote economic development.

In FY 2002, AIDEA will purchase \$30.0 million in loan participations with financial institutions; and participate in or guarantee \$5.0 million in small rural loans.

AIDEA will continue to work with the private sector to develop infrastructure projects that AIDEA can own and lease to the private sector, complimenting private sector investment.

Measure: Maintain a loan delinquency rate at or lower than the average loan delinquency rates of Alaskan banks.

(Added by Legislature in FY2001 version.)

Current Status:

In August 2000, AIDEA's delinquency rate on loan participations dropped to 0.71 percent. This is a lower delinquency rate than most banks average. This is down from a 1.47 percent delinquency rate for the previous fiscal year.

Benchmark:

Delinquency rates can not be directly controlled by AIDEA. Delinquency rates are more a result of the economy. However, though prudent business practices, AIDEA can make knowledgeable decisions on participating in loans that will help diversify Alaska's economy and create jobs for Alaskan.

Background and Strategies:

AIDEA will continue to carefully review all loan participation requests from banks to help insure that each business receiving the loan can produce adequate revenues to repay the loan and that AIDEA's loan portfolio remains strong.

AIDEA will monitor its loan portfolio monthly and work with businesses to help insure their loans are current.

AIDEA will insure its loan portfolio is diverse regionally and by industry sector.

Measure: Annually AIDEA will provide a dividend to the State based on AIDEA's net income for the fiscal year two years before the year the dividend is to be paid (the "base year").

(Added by Legislature in FY2001 version.)

Current Status:

Since the Dividend Program became law in 1996, AIDEA has provided \$91.5 million to the General Fund in the form of a dividend.

Benchmark:

AIDEA's Dividend Program is unique to the agency.

Background and Strategies:

Through prudent business practices and a guiding investment policy, AIDEA will continue to produce net income, thereby allowing AIDEA to provide a dividend to the General Fund to fund other important programs.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● Create at least 350 new jobs for Alaskans by providing financial assistance to economic development projects that meet defined criteria for feasibility and financial success.			X		
● Maintain a loan delinquency rate at or lower than the average loan delinquency rates of Alaskan banks		X			
● Provide a dividend to the General Fund		X			

Alaska Energy Authority Operations and Maintenance

Key Performance Measures for FY2002

Measure: Amount of revenue created by projects owned by the Authority.

(Added by Legislature in FY2001 version.)

Current Status:

In FY 2000 the AEA-owned projects generated \$25,259,000 in revenues from operating plants and \$2,766,000 of investment and other income. The income was offset by expenses in excess of revenues.

Benchmark:

The projects owned by AEA were built as infrastructure projects to provide lower-cost energy to Alaskans and were not intended as a source of revenue. AEA works to maximize the revenues at the projects to offset operating expenses.

Background and Strategies:

AEA administers the outstanding long-term debt of the AEA-owned projects, which is in excess of \$300 million, and administers special trust funds relating to the facilities. To the extent feasible, AEA contracts the direct operating, maintenance and repair responsibilities of the AEA-owned facilities to the operating utilities and works with the operating utilities to lower operating costs and improve efficiencies at the facilities owned by AEA.

Measure: Number of unscheduled outages of hydroelectric projects owned by the Authority.

(Added by Legislature in FY2001 version.)

Current Status:

AEA works closely in an administrative role with the operating utilities to minimize the number of unscheduled outages at the hydroelectric projects owned by the Authority and to insure the projects are operated effectively and efficiently through regular maintenance and budget oversight. The utilities are tasked with providing the necessary service to get the projects back on line when there is an unscheduled outage and provide backup generation when outages occur.

Benchmark:

AEA's primary role is to efficiently oversee the operations and maintenance of approximately \$1 billion in electrical generation and transmission facilities in Alaska. AEA is the owner of the facilities with oversight of the project budgets. The utilities operate and maintain the facilities. Prior to 1993, AEA had a staff of seventeen (17) to monitor the operations of the projects, providing detailed reports on operations, including unscheduled outages. AIDEA currently provides one staff position to provide oversight of the project operations and maintenance. Due to lack of resources, detailed reporting has been discontinued.

Background and Strategies:

On January 31, 2000, a heavy snow fall downed the Solomon Gulch hydroelectric project transmission line in Thompson Pass. Copper Valley Electric Association (CVEC) repaired and returned the transmission line to service on March 10th with AEA oversight. CVEC supplied diesel generation and hydroelectric backup while the transmission line was out of service.

Measure: Number of four dam pool project repairs and upgrades completed on time and within budget.

(Added by Legislature in FY2001 version.)

Current Status:

AEA initiates regular maintenance and repair to the four dam pool projects and provides administrative and budget oversight to insure the projects are completed on time and within budget. Repairs and upgrades initiated in FY 2000 include:

- In June the 2000 contractor began tunnel repairs at the Terror Lake hydroelectric project. A majority of the project was completed by October 31, 2000. Work will continue to complete the sedimentation discharge system.
- AEA is working with the Ketchikan Public Utility to repair the turbine guide bearings at the Swan Lake hydroelectric project. In addition, a failed corrugated metal culvert was repaired to maintain the integrity of the dam.
- Completed Phase III of the Tyee Lake hydroelectric project transmission lines in November 1999 and reviewed the protective relaying screen.
- Completed the Swan Lake hydroelectric project underground storage in November 1999.

Benchmark:

As the owner of the four dam pool projects, it is AEA's responsibility to insure the assets are protected and the integrity of the projects is maintained.

Background and Strategies:

AEA initiates repairs and upgrades as necessary to maintain the AEA-owned projects built over a decade ago. In FY 2002, AEA will work with the operating utilities to complete the following:

- Complete the Terror Lake sedimentation discharge system upgrade.
- Evaluate a major overhaul of the Swan Lake generator and turbines.
- Sale of the four dam pool projects to the operating utilities and/or communities.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● Number of unscheduled outages of hydroelectric projects owned by the Authority.			X		
● Number of four dam pool project repairs and upgrades completed on time and within budget.			X		
● Amount of revenue created by projects owned by the authority			X		

Energy Operations

Key Performance Measures for FY2002

Measure: 10 bulk fuel storage consolidation and upgrade projects are projected to be completed in FY02.

(Added by Legislature in FY2000 version.)

Current Status:

11 projects were completed during FY00.

Benchmark:

AEA's bulk fuel storage data base and priority list includes information on tank farms in 161 rural communities.

Background and Strategies:

There are approximately 1100 above-ground tank farms in 161 remote villages in rural Alaska. Most of these tank farms have serious deficiencies. The U.S. Coast Guard and the Environmental Protection Agency are continuing to issue citations to owners of many substandard facilities in rural Alaska but have thus far refrained from ordering them closed as long as effective measures are underway to bring them into regulatory compliance.

A typical rural village may presently have separate tank farms owned and operated by the City government, the tribal government, the village corporation, the local school, the electric utility, and other public or private entities. Relying primarily on federal funds, the State has conducted a program over the last several years to replace these tank farms with new or refurbished facilities that meet all applicable safety and environmental codes. Most of these projects seek to consolidate several tank farms into a single facility so that the potential for adverse impacts is no longer spread among several tank farm sites around the community. Consolidation also helps to avoid the inconsistent maintenance and operations practices that can result from multiple projects operated by multiple owners.

Measure: Six electric utility upgrade projects are projected to be completed in FY02.

(Added by Legislature in FY2000 version.)

Current Status:

Six electric utility upgrades were completed in FY00. Grants to Matanuska Electric Association and Golden Valley Electric Association were administered for 5 line extension projects.

Benchmark:

AEA is presently developing a data base that will include approximately 170 rural electric utility systems, and will allow those systems to be ranked in the order of their physical condition.

Background and Strategies:

In rural Alaska, 193 communities are served by 99 independent electric utilities. For most of these utilities, the power plant and distribution system do not meet accepted utility standards for safety, reliability, and environmental protection.

Electric utility systems are part of the basic infrastructure of rural communities and are fundamental to the operation of other community facilities, the maintenance of present living standards, and to the prospects for economic development. Due to high costs and limited economies of scale, most local communities cannot make the capital investments needed to meet accepted utility standards for safety, reliability, and operating efficiency.

As funds are available, the State contributes to these capital investments through the Rural Power System Upgrade (RPSU) program. Depending on the condition of existing facilities, these investments can include new generators, new controls, upgrades and modifications to distribution lines, or entirely new power plants and distribution systems.

Measure: The efficiencies created by using economies of scale in upgrades in similar systems.*(Added by Legislature in FY2001 version.)***Current Status:**

Further consultation needed to determine the intent of this measure.

Benchmark:

None

Background and Strategies:

None

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● In FY01, complete construction of 10 bulk fuel consolidation or project upgrades, complete design and begin construction of 8 consolidation projects or upgrades, and begin design of 17 BF projects. ● The efficiencies created by using economies of scale in upgrades in similar systems. 			X		X

Circuit Rider

Key Performance Measures for FY2002

Measure: The number of communities receiving Circuit Rider maintenance services at least semi-annually.
(Not yet addressed by Legislature.)

Current Status:

Circuit rider maintenance provided to 29 communities in FY00, and anticipated to be provided to 70 communities in FY01.

Benchmark:

There are 190 communities with central station electrical service in rural Alaska.

Background and Strategies:

Preventive maintenance and correct operating procedures are essential for power system reliability and also for avoiding the cost of premature equipment replacement. Over the long run, the number of power system emergencies in rural Alaska, and their related costs, will be reduced if equipment is properly maintained and if local utility operators acquire more advanced skills in system operations and repair.

Power Cost Equalization

Key Performance Measures for FY2002

Measure: The average power cost for households receiving power cost equalization compared to average statewide costs.

(Added by Legislature in FY2001 version.)

Current Status:

Average rate for residential customers in rural Alaska in FY98, without PCE rate reduction: 29 cents per kilowatt hour.

Average rate for residential customers in rural Alaska in FY98, after receipt of PCE support: 20 cents per kilowatt hour..

Average rate for residential customers in Anchorage, Fairbanks, and Juneau in 1997: 9.9 cents per kilowatt hour.

Benchmark:

The benchmark is the average cost of power in urban Alaska, reported under "current status."

Background and Strategies:

Legislation enacted in 2000 includes the following statement of findings by the Legislature:

1. Adequate and reliable electric service at affordable rates is a necessary ingredient of a modern society and a prosperous developing economy.
2. At the current stage of social and economic development in the state, direct participation by the state is necessary to assist in keeping rates in high-cost service areas to affordable levels.
3. Providing a long-term, stable financing source for power cost equalization will permit and encourage the electric utility industry and its lenders to develop plans, make investments, and take other actions that are necessary or prudent to provide adequate and reliable electric service at affordable rates and to meet the health and safety needs of residents of the state.

Alaska Seafood Marketing Institute

Key Performance Measures for FY2002

Measure: Increase volume of product sold through ASMI promotions in FY02 by 10% in the United States.
(Not yet addressed by Legislature.)

Current Status:

ASMI is maximizing value of relationships with existing promotional partners, developing new retail and foodservice partnerships in areas of value-added products and increasing demand for Alaska seafood product usage via Alaska Seafood brand oriented marketing Programs.

Benchmark:

ASMI will use its own FY01 volume of pounds sold figures as a baseline for FY02.

Background and Strategies:

Background:

- A \$5 million grant to ASMI to assist the Alaska salmon industry against the impact of imported farmed salmon has been incorporated into ASMI's next three fiscal years' budgets.
- ASMI has increased the amount of funds for domestic marketing programs through the grant. The board has approved carrying forward a substantial amount of funds to serve as the match for the federal grant and to even out the potential shortfall expected due to loss of fish revenue.

Strategies: A three-year Strategic Marketing Plan (starting FY 01) has been implemented to create a dynamic market-driven environment that will expand the global consumption of Alaska seafood products by fostering growth opportunities within the food industry through collaborative marketing and quality assurance efforts.

- All species of seafood will benefit from the enhanced salmon marketing effort funded by the federal grant.

Measure: The increase in the development of new markets.
(Added by Legislature in FY2001 version.)

Current Status:

ASMI is developing new retail and foodservice partnerships in areas of value-added products with non-commercial accounts and corporate divisions and increasing demand for Alaska seafood product usage via Alaska Seafood brand oriented marketing Programs.

Benchmark:

ASMI will use its own FY01 volume of pounds sold figures as a baseline for FY02.

Background and Strategies:

Background:

- A \$5 million grant to ASMI to assist the Alaska salmon industry against the impact of imported farmed salmon has been incorporated into ASMI's next three fiscal years' budgets.
- ASMI has increased the amount of funds for domestic marketing programs through the grant. The board has approved carrying forward a substantial amount of funds to serve as the match for the federal grant and to even out the potential shortfall expected due to loss of fish revenue.

Strategies: A three-year Strategic Marketing Plan (starting FY 01) has been implemented to create a dynamic market-driven environment that will expand the global consumption of Alaska seafood products by fostering growth opportunities within the food industry through collaborative marketing and quality assurance efforts.

- All species of seafood will benefit from the enhanced salmon marketing effort funded by the federal grant.

Measure: The increase in pounds of seafood sold.*(Added by Legislature in FY2001 version.)***Current Status:**

In FY00 21,000,000 lbs of Alaskan Seafood and over 1,600,000 U.S. Category Volume equivalent cases of canned salmon sold in ASMI sponsored Retail promotions. Over 4,000,000 lbs of Alaskan Seafood sold during ASMI Foodservice sponsored promotions.

Benchmark:

ASMI will use its own FY01 volume of pounds sold figures as a baseline for FY02.

Background and Strategies:**Background:**

- A \$5 million grant to ASMI to assist the Alaska salmon industry against the impact of imported farmed salmon has been incorporated into ASMI's next three fiscal years' budgets.
- ASMI has increased the amount of funds for domestic marketing programs through the grant. The board has approved carrying forward a substantial amount of funds to serve as the match for the federal grant and to even out the potential shortfall expected due to loss of fish revenue.

Strategies: A three-year Strategic Marketing Plan (starting FY 01) has been implemented to create a dynamic market-driven environment that will expand the global consumption of Alaska seafood products by fostering growth opportunities within the food industry through collaborative marketing and quality assurance efforts.

- All species of seafood will benefit from the enhanced salmon marketing effort funded by the federal grant.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● Increase volume of product sold through ASMI promotions in FY01 by 10% in the United States market.		X			
● The increase in the development of new markets.		X			
● The increase in pounds of seafood sold.		X			

Alaska Science and Technology Foundation

Key Performance Measures for FY2002

Measure: The number of new jobs from technology projects.

(Developed jointly with Legislature in FY2001.)

Current Status:

In September 2000, ASTF surveyed 99 technology project grantees and received responses from 88 grantees. The surveys were sent to grantees that had completed their grant work within the last five years as well as active grantees that are farther along with their project or product development.

245 full time equivalent jobs were reported by 46 out of 88 technology project grantees.

Benchmark:

Suggested benchmarks are an average of five jobs per grantee for those grantees reporting jobs and at least 50% of technology project grantees reporting jobs. This ratio reflects that grantees have both technical and business hurdles to achieve. ASTF co-invests in early stage business concepts prior to the concept becoming 'bankable'.

Background and Strategies:

ASTF co-invests in new and existing firms that use science or technological innovation to grow their business and achieve Alaska economic benefit. To achieve new job/revenue creation, ASTF co-invests in firms that have strong business plans, management capability, and plans for post-ASTF grant funding if required.

Measure: The new revenue from technology projects.

(Developed jointly with Legislature in FY2001.)

Current Status:

\$20.2 million in new revenues were reported by 45 out of 88 technology project grantees.

Benchmark:

Suggested benchmarks are an average of \$250,000 per grantee for those grantees reporting revenues and at least 40% of the technology project grantees reporting jobs. This percentage (40%) is less than the suggested 50% percentage of grantees reporting jobs because developments jobs are required prior to the onset of sales.

Background and Strategies:

ASTF co-invests in new and existing firms that use science or technological innovation to grow their business and achieve Alaska economic benefit. To achieve new job/revenue creation, ASTF co-invests in firms that have strong business plans, management capability, and plans for post-ASTF grant funding if required.

Measure: The percentage of technology project grantees in business because of ASTF grants

(Developed jointly with Legislature in FY2001.)

Current Status:

53% (47 out of 88) reported being in business because of their ASTF grant

Benchmark:

50% is suggested.

Background and Strategies:

ASTF co-invests in new business concepts in a portfolio of both new and existing firms. Most Alaskan firms cannot afford R&D projects or risk. New firms offer exciting growth possibilities. Existing firms seeking to add a new business line offer business experience and infrastructure, managerial and financial depth, and support services.

Measure: The increase in student achievement in math and science as a result of ASTF teacher grants
(Revised from Legislature's FY2001 version.)

Current Status:

ASTF also surveyed 50 FY99 teacher grantees and received responses from 34, a 68% response rate. About 80 students participated in each teacher grant.

37% greatly increased, 49% increased, 13% no change, 1% decreased, 0% greatly decreased

Benchmark:

At least 80% increased or greatly increased. Benchmark was revised only to separately measure increase in both student achievement and student interest in math and science

Background and Strategies:

ASTF develops Alaska's capacity for science and engineering by funding competitive science, math and technology classroom projects for Alaska K-12 students. These projects have been highly successful in developing students' interest and achievement in math, science and technology. In addition to funding approximately 50 new teacher grants per year, in FY 01 ASTF will begin targeting critically understaffed career fields through specialized teacher grant offerings in addition to the main Direct Grants to Teachers program.

Measure: The increase in student interest in math and science as a result of ASTF teacher grants
(Revised from Legislature's FY2001 version.)

Current Status:

42% greatly increased, 46% increased, 12% no change, 1% decreased, and 0% greatly decreased

Benchmark:

At least 80% increased or greatly increased.

Background and Strategies:

ASTF develops Alaska's capacity for science and engineering by funding competitive science, math and technology classroom projects for Alaska K-12 students. These projects have been highly successful in developing students' interest and achievement in math, science and technology. In addition to funding approximately 50 new teacher grants per year, in FY 01 ASTF will begin targeting critically understaffed career fields through specialized teacher grant offerings in addition to the main Direct Grants to Teachers program.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● Increase the three-year average of new jobs established by ASTF funded technology projects to 6 jobs/project by 2001. 			X		
<ul style="list-style-type: none"> ● Increase the three-year average technology project revenue to \$150,000/project by 2001. 		X			
<ul style="list-style-type: none"> ● Increase the three-year average % of technology project grantees in business due to ASTF grant to 50% by 2001. 	X				
<ul style="list-style-type: none"> ● Increase the three-year average % of technology project grantees who report new/improved products/processes/services to 90% or greater by 2001. 			X		

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● Increase the three-year average % of technology and knowledge projects which increase basic scientific and technology knowledge to 72% by 2001. ● Increase the three-year average % of knowledge projects which develop new processes or services, or reduced costs to 64% by 2001. ● The number of new jobs from technology projects. ● The new revenue from technology projects. ● The percentage of technology project grantees in business because of ASTF grants. ● The increase in student achievement and interest in math and science as a result of ASTF teacher grants. 	 X X X X		 X X 		

Banking, Securities and Corporations

Key Performance Measures for FY2002

Measure: Have no Securities or ANCSA related administrative orders overturned at hearing or in court if challenged.

(Not yet addressed by Legislature.)

Current Status:

The number of complaints resolved without formal action (formal orders): FY99....59; FY00....24; FY01....7 (as of 10/27/00)

The number of complaints resolved through formal orders: FY99....7; FY00....9; FY01....9 (as of 10/27/00)

The number of formal orders challenged: FY99....2; FY00....3; FY01....0 (as of 10/27/00)

The number of formal orders challenged successfully: FY99....0; FY00....0; FY01....0 (as of 10/27/00)

Benchmark:

Generally, the benchmark is to have no orders overturned. However, some orders may be more aggressive than others in dealing with Securities Act violations, and it is possible that some may be overturned.

Background and Strategies:

When the division investigates a complaint, if appropriate it attempts to resolve the complaint quickly and without formal action (issuing an order). Any time the division issues an order, the law provides the respondent an opportunity to request a hearing and, ultimately, a judicial review. The division cannot control whether a respondent requests a hearing, but the division vigorously defends its position in a hearing or in a court review.

The strategy: to thoroughly document a complaint and keep formal actions well grounded in the law and regulations in order to reduce their vulnerability to being overturned on any technical grounds.

Measure: The number of members of the public who use forms provided by the division over the Internet for filing complaints and requests for exemptions.

(Added by Legislature in FY2001 version.)

Current Status:

In FY99, the division provided no Internet-based forms, so there was no use of this medium by Alaskans.

In FY00, about 80% of complaints and exemption filings have utilized the web-based forms provided by the division.

In FY01, about 90% of complaints and exemption filings have utilized the web-based forms provided by the division. The vast majority of filers using these forms are completing them on-line and then mailing them in. The section is working towards providing a "submit" feature on these forms for complete on-line processing.

Benchmark:

Not applicable. There are no known benchmarks for this activity.

Background and Strategies:

The division developed Internet-based forms to standardize filings and make it easier for Alaskans who want to file a complaint or an application for exemption from registration.

The strategy: to provide as much information and forms via the Internet as possible in order to improve the ease and accessibility for the public, and to make their availability known through Internet advertising, public meetings, and personal contacts.

Measure: The number of uncollected fines that have not been converted to court judgment.*(Added by Legislature in FY2001 version.)***Current Status:**

- FY99 of 8 fines levied, 4 fines were collected, leaving 4 needing action.
- FY00 through FY01, as of 10/27/00, there were 4 fines reduced to judgment, 1 partially collected, and one abandoned, leaving 2 needing action.

Benchmark:

The goal is to reach a point where all fines are either collected or converted to court judgment.

Background and Strategies:

Sometimes respondents refuse to pay fines. In order to improve the division's ability to take collection actions against them through the courts of any state, the division may petition to have an administrative fine converted to a court judgment (called "reducing an administrative fine to judgment"). The U.S. Constitution provides that a court judgment from one state is given full faith and credit in all states, so the fines should then be collectible wherever the violators and their property are found. This authority was obtained through amendments to the Alaska Securities Act, effective October 1, 1999.

With the change in the law, the division will file the appropriate applications to Superior Court to convert these fines to judgment. This is a new process, and the first such application was filed in December 1999. Once that is achieved, the division will attempt to enforce the court's judgment and collect the fine. Once the procedures are developed, it will become the division's routine to take these actions.

Measure: The time taken to respond to and resolve complaints.*(Added by Legislature in FY2001 version.)***Current Status:**

Complaint response time

- FY99....7 days
- FY00....5 days
- FY01....5 days, as of 10/27/00

Complaint resolution time:

- FY99....116 days
- FY00....75 days
- FY01....80 days, as of 10/27/00

Benchmark:

Not applicable. There are no benchmarks for this measure. The time it takes to resolve complaints is affected by the complexity of the case.

Background and Strategies:

Assisting Alaskans with their investment problems by responding to their complaints, and taking actions to resolve those complaints is a critical part of the division's efforts to protect investors. Timeliness is an important aspect of that process.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • Maintain investor protection by reducing the time of response to and resolution of complaints by 10% within 2 years. 					X

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● Have no Securities or ANCSA related administrative orders overturned at hearing or in court if challenged. ● Improve service to the public and standardize filings through public use of Internet-provided division forms to file complaints and exemption filings at least 50% of the time by July 1, 2000. ● By June 30, 2001, reduce to zero the number of uncollected fines that have not been converted to court judgment. ● The number of members of the public who use forms provided by the division over the Internet for filing complaints and requests for exemptions. ● The number of uncollected fines that have not been converted to court judgments. ● The time taken to respond to and resolve complaints. 		X 			X

Insurance Operations

Key Performance Measures for FY2002

Measure: The average time taken to respond to consumer complaints

(Added by Legislature in FY2001 version.)

Current Status:

Baseline data is being collected in FY 2001.

Benchmark:

We looked at other states similar in size with the same volume of work and found that our number of days for resolutions fell in between theirs, which was 37 to 42 days.

Background and Strategies:

FY 2001-85% of formal complaints will have communications sent to the consumer and to the company for their response, or the complaint will be resolved within 40 days. 10% of formal complaints could extend beyond 40 days because of potential violation actions; file review by the Attorney General's office; involvement with other DOI sections; multiple issues or complexity of materials in files being investigated. 5% of formal complaints could extend beyond 40 days due to issues pending additional information from complainant or company; delays due to staff shortages and absences; periods of high complaint volume; or delays due to specialists meeting high priority special assignment deadlines.

Measure: The average number of days required to process applications and issue licenses and renewals.

(Added by Legislature in FY2001 version.)

Current Status:

FY99 to FY00 the current average processing time was 10-15 working days.

Benchmark:

In Wyoming a state with a similar population our processing time is in-line with theirs which is ten days, even though we have dissimilar laws and regulations.

Background and Strategies:

The high number of incomplete applications received complicates measuring the average number of days required to process applications. Currently approximately 75% of all applications submitted are incomplete. To remedy this problem the division is moving to an electronic application process that will substantially reduce if not eliminate the ability to submit an incomplete application. The electronic application will not allow an applicant to submit an application unless all required information is contained in the application.

In FY 2001, a complete application will be processed and a license issued within 5 days of receipt of the application.

For applications that are not complete they are sent notification that the license cannot be processed without additional information. When the necessary information is received a license is issued within 5 days.

Measure: The number of insurance-related civil and criminal investigations completed.

(Added by Legislature in FY2001 version.)

Current Status:

In FY 2000 the division opened 60 cases, closed 37 and 3 of the cases lead to criminal convictions. We investigate every case that is opened.

Benchmark:

Our baseline is to close over 60% of the cases that we open during the year and to present those cases deemed for litigation to the DA's office for prosecution. This compares to the state of Wyoming, which opened 80 cases, closed 49 with 4 cases referred for regulatory action

Background and Strategies:

Insurance fraud is widespread through all 50 states. It includes private citizens filing fraudulent claims to insurance companies and insurance agents or companies violating a statute or regulation included in the State of Alaska insurance laws. Prevention of fraud can be reduced through providing more educational materials and having investigators conduct education seminars and speak at professional meetings.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The average time taken to respond to consumer complaints.		X			
● The average number of days required to process applications and issue licenses and renewals.		X			
● The number of insurance-related civil and criminal investigations completed.		X			

Occupational Licensing

Key Performance Measures for FY2002

Measure: the time taken for investigation of licensing law complaints

(Developed jointly with Legislature in FY2002.)

Current Status:

In FY 2002 the division will work to reduce the amount of time between the opening of cases and the issuance of a formal accusation, a settlement document or the decision to close the case without action.

Benchmark:

Unknown

Background and Strategies:

The division opens from 450 to 550 investigation cases each year. Most of these cases are initiated by citizen complaints against licensed professionals, however, others are initiated by the division. Cases are closed when the division determines that no formal charge will be made against the license holder, when disciplinary action is taken, or when a hearing determines the licensee did not violate the law. Many factors affect the length of time a specific case remains open including, the priority the division gives to the case based on risk to public health and safety, the overall division case load, the complexity of the investigation, the availability of Department of Law legal services, the hearing officer's schedule, court action and the action of the licensee under investigation. In recent years, insufficient attorney service has been a major contributor to investigative delay. The FY01 budget authorized additional Department of Law services for the division. When vacant attorney positions are filled, the division anticipates a reduction in investigation time. Quick closure of cases cannot be an isolated goal, because investigative thoroughness is also essential to protect consumers.

Measure: whether the division increases the number of opportunities to take occupational licensing examinations by at least 25 percent in the fiscal year ending June 30, 2001

(Developed jointly with Legislature in FY2002.)

Current Status:

The division will increase the frequency of division-controlled written exams from quarterly to monthly for all of FY02, thereby achieving the performance measure.

Benchmark:

The frequency of exams in other small-population states is unknown.

Background and Strategies:

Many professionals cannot qualify for licenses and begin working without first passing an exam. Exams must be conducted properly and securely to render accurate results. The quality of exam administration by private proctors has been uneven. Alaska's size makes travel to a central exam site expensive for license applicants. The division currently offers the above referenced written exams four times each year in Anchorage, Juneau and Fairbanks. The division will designate a clerk in Anchorage and Fairbanks who will administer exams one day each week and supervise additional private proctors. This will result in the Fairbanks office being closed to the general public on Fridays.

Status of FY2001 Performance Measures

<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
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	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> the time taken for investigation of licensing law complaints whether the division increases the number of opportunities to take occupational licensing examinations by at least 25 percent in the fiscal year ending June 30, 2001 whether the division converts the business license classification system to a new, more detailed classification system in the fiscal year ending June 30, 2001 	X				X

Occupational Licensing

Key Performance Measures for FY2002

Measure: The time taken for investigation of licensing law complaints

(Developed jointly with Legislature in FY2001.)

Current Status:

In FY 2002 the division will work to reduce the amount of time between the opening of cases and the issuance of a formal accusation, a settlement document or the decision to close the case without action.

Benchmark:

Unknown

Background and Strategies:

The division opens from 450 to 550 investigation cases each year. Most of these cases are initiated by citizen complaints against licensed professionals, however, others are initiated by the division. Cases are closed when the division determines that no formal charge will be made against the license holder, when disciplinary action is taken, or when a hearing determines the licensee did not violate the law. Many factors affect the length of time a specific case remains open including, the priority the division gives to the case based on risk to public health and safety, the overall division case load, the complexity of the investigation, the availability of Department of Law legal services, the hearing officer's schedule, court action and the action of the licensee under investigation. In recent years, insufficient attorney service has been a major contributor to investigative delay. The FY01 budget authorized additional Department of Law services for the division. When vacant attorney positions are filled, the division anticipates a reduction in investigation time. Quick closure of cases cannot be an isolated goal, because investigative thoroughness is also essential to protect consumers.

Measure: Whether the division increases the number of opportunities to take occupational licensing examinations by at least 25 percent in the fiscal year ending June 30, 2001

(Developed jointly with Legislature in FY2001.)

Current Status:

The division will increase the frequency of division-controlled written exams from quarterly to monthly for all of FY02, thereby achieving the performance measure.

Benchmark:

The frequency of exams in other small-population states is unknown.

Background and Strategies:

Many professionals cannot qualify for licenses and begin working without first passing an exam. Exams must be conducted properly and securely to render accurate results. The quality of exam administration by private proctors has been uneven. Alaska's size makes travel to a central exam site expensive for license applicants. The division currently offers the above referenced written exams four times each year in Anchorage, Juneau and Fairbanks. The division will designate a clerk in Anchorage and Fairbanks who will administer exams one day each week and supervise additional private proctors. This will result in the Fairbanks office being closed to the general public on Fridays.

Status of FY2001 Performance Measures

<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
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	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● The time taken for investigation of licensing law complaints ● Whether the division increases the number of opportunities to take occupational licensing examinations by at least 25 percent in the fiscal year ending June 30, 2001 ● Whether the division converts the business license classification system to a new, more detailed classification system in the fiscal year ending June 30, 2001; 	X				X

Regulatory Commission of Alaska

Key Performance Measures for FY2002

Measure: Consider the time required to issue public notice, provide an initial analysis, and render the initial commission determination concerning

(1) utility and pipeline filings; (2) competitive offering.

(Added by Legislature in FY2001 version.)

Current Status:

During FY00, to the best of our knowledge, we complied with the timeliness standards of 3 AAC 48.200 through .440 adopted in December 1999.

Benchmark:

Not applicable.

Background and Strategies:

The Legislature created the RCA and tasked us with developing and adhering to timeliness standards because of public complaints about the predecessor agency's processes. We have adopted standards and are incorporating processes to measure our progress as part of developing and implementing our management information system.

By the end of FY2002 we should have actual data from our management information system to report on this measure.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● Consider the time required to issue public notice, provide an initial analysis, and render the initial commission determination concerning (1) utility and pipeline filings; (2) competitive offering.			X		